



Advocating for women's rights
and opportunities in Connecticut

Committee on Labor and Public Employees
Raised Bill H.B. No. 5370, *An Act Increasing The Minimum Fair Wage*
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The Connecticut Women's Education and Legal Fund (CWEALF) is a statewide nonprofit organization dedicated to improving the lives of women, girls and their families. For decades, CWEALF has been vocal in advocating for strategies to increase access for women and girls to post-secondary education and training opportunities that pay a living wage and advance families to economic sufficiency.

I am writing to urge you to support Raised Bill H.B. No. 5370, *An Act Increasing The Minimum Fair Wage*. Currently, the minimum wage in Connecticut is \$9.60, and it will rise to \$10.10 on January 1, 2017. This bill would gradually raise Connecticut's minimum wage from \$10.10 to \$15.00 on January 1, 2022.

Although Connecticut has the highest per capita income in the United States¹, many families have an extremely difficult time meeting their basic needs, including housing, food, clothing, and child care. At \$9.60 and \$10.10 minimum wage rates, a full-time employee would earn \$19,968 and \$21,008 per year. Both amounts are below the 2016 Connecticut and federal poverty levels for a family of 3 or more.

A raise to \$15 per hour would mean increased opportunity and equity for the 70,000 to 90,000 minimum wage workers in Connecticut. Many economists say that increasing the minimum wage improves the economy, as workers can spend more on goods and services they couldn't afford before. More dollars will circulate in local economies, and affected employees may have less need to rely on government assistance for housing, food or health care insurance, the cost of which is borne by all taxpayers.

Higher wages also help employers retain employees and reduce turnover, which translates to lower hiring expenses and improved productivity. A minimum wage increase in Connecticut would help more workers be able to afford to work and live in the state, considered to have the second highest cost of living in the U.S., according to at least one survey.²

Women are disproportionately affected by the minimum wage, while their wages are increasingly central to their families being able to meet their needs. According to Lt. Gov. Nancy Wyman, more than 60 percent of the minimum wage workforce in Connecticut is made up of

¹ U.S. Census Bureau 2010 – 2014 American Community Survey 1-Year Estimates

² Community and Economic Research C2ER *Cost of Living* Index for the first quarter of 2015, CNBC website

women³, and almost 172,000 family households in Connecticut are headed by women.⁴ In the U.S., mothers are primary or sole breadwinners in nearly 40% of families. Women of color would especially benefit from a minimum wage increase.⁵

The long-time wage gap between women and men exacerbates the disproportionate affect the minimum wage has on women. In Connecticut, women are paid 83% for every dollar paid to men, according to the U.S. Census Bureau in 2015. The gap is even larger for women of color – an average of 60% for African-American women and 55% for Hispanic and Latino women, for every dollar paid to white men.⁶ Connecticut women who work full-time lose a total of more than \$5.5 billion dollars due to the gender wage gap.⁷

Raising the minimum wage would also begin to address a major issue in today's society, economic inequality -- the growing gap between the rich and poor. According to Jason Furman, chairman of President Obama's Council of Economic Advisers, "there are a lot of causes of inequality but [the erosion of the minimum wage] is one of the important ones for inequality at the bottom."⁸

I urge your support of Raised Bill No. 5370 in order to improve the living standard of the tens of thousands of Connecticut workers who currently earn the minimum wage, help employers retain employees and improve productivity, and improve the economy of Connecticut and local Connecticut cities and towns.

³ Press Release, Gov. Malloy Announces Connecticut's Minimum Wage Will Increase on January 1, 2016 (December 28, 2015)

⁴ National Partnership for Women and Families, September 2015

⁵ Economic Policy Institute (EPI), "It's Time to Raise the Minimum Wage" (April 2015)

⁶ U. S. Census Bureau

⁷ Id.

⁸ CNN Money, January 15, 2014